

Message Text

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AMCONSUL ZAGREB

UNCLAS SECTION 1 OF 2 IAEA VIENNA 3763

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SUBJECT:KRSKO NUCLEAR POWER PROJECT

FOLLOWING IS TEXT OF REVISED US/IAEA/YUGOSLAVIA SUPPLY
AGREEMENT FOR SUBJECT PROJECT:

DRAFT AGREEMENT FOR THE SUPPLY OF URANIUM ENRICHMENT
SERVICES FOR A NUCLEAR POWER FACILITY IN THE SOCIALIST
FEDERATIVE REPUBLIC OF YUGOSLAVIA

WHEREAS THE GOVERNMENT OF THE SOCIALIST FEDERATIVE
REPUBLIC OF YUGOSLAVIA (HEREINAFTER CALLED "YUGOSLAVIA"),
DESIRING TO HAVE CONSTRUCTED A NUCLEAR POWER STATION
CONSISTING OF A PRESSURIZED WATER REACTOR WITH A RATED
GENERATING CAPACITY OF 632 MW (E), HAS REQUESTED THE
ASSISTANCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY
(HEREINAFTER CALLED THE "AGENCY") IN SECURING, AMONG
OTHER THINGS, THE SUPPLY OF URANIUM ENRICHMENT SERVICES
FOR THE REACTOR DURING ITS LIFETIME;

WHEREAS YUGOSLAVIA DESIRES TO OBTAIN SUCH SERVICES
FROM THE UNITED STATES ATOMIC ENERGY COMMISSION (HEREIN-
AFTER CALLED THE "COMMISSION");

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WHEREAS THE COMMISSION IS WILLING TO PROVIDE SUCH

SERVICES THROUGH THE AGENCY, PURSUANT TO THE AGREEMENT FOR CO-OPERATION BETWEEN THE AGENCY AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AS AMENDED (HEREINAFTER CALLED THE "CO-OPERATION AGREEMENT"), AND UNDER THE TERMS AND CONDITIONS PARTICULARLY SET FORTH IN A LONG-TERM, FIXED COMMITMENT CONTRACT (HEREINAFTER CALLED THE "LONG-TERM CONTRACT"), TO BE CONCLUDED BETWEEN THE COMMISSION AND ELEKTROPRIVREDA ZAGREB, ZAGREB, AND SAVSKE ELEKTRARNE, LJUBLJANA (HEREINAFTER JOINTLY CALLED THE "UTILITY GROUP"); AND

WHEREAS THE BOARD OF GOVERNORS OF THE AGENCY APPROVED THE PROJECT ON.....1974, AND THE AGENCY AND YUGOSLAVIA ARE THIS DAY CONCLUDING AN AGREEMENT FOR THE PROVISION BY THE AGENCY OF THE ASSISTANCE REQUESTED BY YUGOSLAVIA (HEREINAFTER CALLED THE "PROJECT AGREEMENT");

NOW, THEREFORE, THE AGENCY, THE COMMISSION ACTING ON BEHALF OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE FEDERAL ADMINISTRATION FOR INTERNATIONAL SCIENTIFIC, EDUCATIONAL, CULTURAL AND TECHNICAL COOPERATION ACTING ON BEHALF OF YUGOSLAVIA HEREBY AGREE AS FOLLOWS:

ARTICLE I

SUPPLY OF URANIUM ENRICHMENT SERVICES THROUGH LONG-TERM, FIXED-COMMITMENT CONTRACT

1. SUBJECT TO THE PROVISIONS OF THE CO-OPERATION AGREEMENT, THE COMMISSION SHALL FURNISH TO THE AGENCY FOR YUGOSLAVIA AND THE UTILITY GROUP FOR YUGOSLAVIA SHALL PURCHASE, DURING THE PERIOD OF THIS AGREEMENT, CERTAIN URANIUM ENRICHMENT SERVICES IN CONNECTION WITH THE OPERATION OF THE NUCLEAR POWER PLANT KRSKO, LOCATED NEAR KRSKO IN THE SOCIALIST REPUBLIC OF SLOVENIA, AND JOINTLY OWNED AND OPERATED BY THE UTILITY GROUP.

2. THE PARTICULAR TERMS AND CONDITIONS, INCLUDING CHARGES AND ADVANCE PAYMENT, FOR THE SUPPLY OF SUCH ENRICHMENT SERVICES SHALL BE SPECIFIED IN THE LONG-TERM CONTRACT IN IMPLEMENTATION OF THIS AGREEMENT.

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ARTICLE II

PAYMENT

IT IS RECOGNIZED THAT IN EXTENDING ITS ASSISTANCE FOR THE PROJECT THE AGENCY IS NOT HEREUNDER PROVIDING ANY GUARANTEES OR ASSUMING ANY FINANCIAL RESPONSIBILITY IN CONNECTION

WITH THE SUPPLY OF ENRICHMENT SERVICES BY THE COMMISSION
TO THE UTILITY GROUP FOR YUGOSLAVIA.

ARTICLE III

DELIVERY -TITLE

1. ALL ARRANGEMENTS FOR THE EXPORT FROM THE UNITED STATES
OF AMERICA OF MATERIAL DELIVERED BY THE COMMISSION TO THE
UTILITY GROUP FOR YUGOSLAVIA SHALL BE THE RESPONSIBILITY
OF THE UTILITY GROUP PROVIDED THAT THE GOVERNMENT OF THE
UNITED STATES OF AMERICA SHALL TAKE ALL APPROPRIATE STEPS
TO FACILITATE THE ISSUANCE OF ANY REQUIRED LICENCES OR
PERMITS. PRIOR TO THE EXPORT OF SUCH MATERIAL, YUGOSLAVIA
SHALL NOTIFY THE AGENCY OF THE AMOUNT THEREOF AND OF THE
DATE AND METHOD OF SHIPMENT. AT SUCH TIME AS THE MATERIAL
LEAVES THE JURISDICTION OF THE UNITED STATES OF AMERICA,
TITLE THERETO SHALL PASS FROM THE UTILITY GROUP TO YUGOSLAVIA
FOR THE AGENCY AND SHALL THEREAFTER IMMEDIATELY AND INSTAN-
TANEOUSLY PASS BACK TO YUGOSLAVIA FOR THE UTILITY GROUP.

2. ALL MATERIAL DELIVERED OR RETURNED TO THE COMMISSION
HEREUNDER AND PURSUANT TO THE PROVISIONS OF THE LONG-TERM
CONTRACT SHALL BE DELIVERED TO THE COMMISSION, AT THE
COMMISSION FACILITY OR FACILITIES TO BE DESIGNATED BY THE
COMMISSION IN ACCORDANCE WITH THE LONG-TERM CONTRACT. TITLE
TO SUCH MATERIAL SHALL PASS TO THE COMMISSION UPON DELIVERY
AT SUCH FACILITY OR FACILITIES.

ARTICLE IV

RESPONSIBILITY

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1. NEITHER THE UNITED STATES, NOR THE COMMISSION, NOR ANY
PERSON ACTING ON BEHALF OF THE COMMISSION SHALL BEAR ANY
RESPONSIBILITY FOR THE SAFE HANDLING AND USE OF THE
MATERIAL SUPPLIED PURSUANT TO ARTICLE I.

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2. NEITHER THE AGENCY NOR ANY PERSON ACTING ON ITS BEHALF SHALL AT ANY TIME BEAR ANY RESPONSIBILITY TOWARDS YUGOSLAVIA OR ANY PERSON CLAIMING THROUGH YUGOSLAVIA FOR THE SAFE HANDLING AND THE USE OF SUCH MATERIAL.

ARTICLE V

TERMINATION - SUSPENSION - AMENDMENT

1. IN THE EVENT OF TERMINATION OR SUSPENSION OF THE LONG-TERM CONTRACT AS PROVIDED FOR THEREUNDER, THE COMMISSION AND THE UTILITY GROUP THROUGH YUGOSLAVIA SHALL JOINTLY NOTIFY THE AGENCY OF THE DATE ON WHICH SUCH TERMINATION OR SUSPENSION IS EFFECTIVE. THIS AGREEMENT SHALL BE TERMINATED OR SUSPENDED AS PROVIDED IN SUCH NOTICE. IT IS AGREED BY THE AGENCY AND YUGOSLAVIA THAT ANY SUCH TERMINATION OR SUSPENSION SHALL BE WITHOUT PREJUDICE TO THE IMPLEMENTATION OF THE RIGHTS AND RESPONSIBILITIES OF THE AGENCY UNDER THE PROJECT AGREEMENT.

2. IN THE EVENT THE LONG-TERM CONTRACT IS AMENDED AS PROVIDED FOR THEREUNDER, THE COMMISSION AND THE UTILITY GROUP THROUGH YUGOSLAVIA SHALL, BY A WRITTEN NOTICE TO THE AGENCY, NOTIFY THE AGENCY OF THE PROPOSED AMENDMENT OR AMENDMENTS. AT THE REQUEST OF ANY PARTY TO THIS AGREEMENT, THE PARTIES SHALL CONSULT EACH OTHER ON CORRESPONDING AMEND-
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MENTS TO THIS AGREEMENT AS APPROPRIATE.

ARTICLE VI

SETTLEMENT OF DISPUTES

ANY DISPUTE ARISING OUT OF THE INTERPRETATION OF APPLI-

CATION OF THIS AGREEMENT, WHICH IS NOT SETTLED BY NEGOTIATION OR AS MAY OTHERWISE BE AGREED BY THE PARTIES CONCERNED, SHALL ON THE REQUEST OF ANY PARTY TO THIS AGREEMENT BE SUBMITTED TO AN ARBITRAL TRIBUNAL COMPOSED AS FOLLOWS:

A. IF THE DISPUTE INVOLVES ONLY TWO OF THE PARTIES TO THIS AGREEMENT, ALL THREE PARTIES AGREEING THAT THE THIRD IS NOT CONCERNED, THE TWO PARTIES INVOLVED SHALL EACH DESIGNATE ONE ARBITRATOR, AND THE TWO ARBITRATORS SO DESIGNATED SHALL ELECT A THIRD, WHO SHALL BE THE CHAIRMAN. IF WITHIN THIRTY(30) DAYS OF THE REQUEST FOR ARBITRATION EITHER PARTY HAS NOT DESIGNATED AN ARBITRATOR, EITHER PARTY TO THE DISPUTE MAY REQUEST THE PRESIDENT OF THE INTERNATIONAL COURT OF JUSTICE TO APPOINT AN ARBITRATOR. THE SAME PROCEDURE SHALL APPLY IF, WITHIN THIRTY (30) DAYS OF THE DESIGNATION OR APPOINTMENT OF THE SECOND ARBITRATOR, THE THIRD ARBITRATOR HAS NOT BEEN ELECTED.

B. IF THE DISPUTE INVOLVES ALL THREE PARTIES TO THIS AGREEMENT, EACH PARTY SHALL DESIGNATE ONE ARBITRATOR, AND THE THREE ARBITRATORS SO DESIGNATED SHALL BY UNANIMOUS DECISION ELECT A FOURTH ARBITRATOR, WHO SHALL BE THE CHAIRMAN, AND A FIFTH ARBITRATOR. IF WITH THIRTY (30) DAYS OF THE REQUEST FOR ARBITRATION ANY PARTY HAS NOT DESIGNATED AN ARBITRATOR, ANY PARTY MAY REQUEST THE PRESIDENT OF THE INTERNATIONAL COURT OF JUSTICE TO APPOINT THE NECESSARY NUMBER OF ARBITRATORS. THE SAME PROCEDURE SHALL APPLY IF, WITHIN THIRTY(30) DAYS OF THE DESIGNATION OR APPOINTMENT OF THE THIRD OF THE FIRST THREE ARBITRATORS, THE CHAIRMAN OR THE FIFTH ARBITRATOR HAS NOT BEEN ELECTED.

A MAJORITY OF THE MEMBERS OF THE ARBITRAL TRIBUNAL SHALL CONSTITUTE A QUORUM, AND ALL DECISIONS SHALL BE MADE BY MAJORITY VOTE. THE ARBITRAL PROCEDURE SHALL BE ESTABLISHED BY THE TRIBUNAL WHOSE DECISIONS, INCLUDING ALL RULINGS CONCERNING ITS CONSTITUTION, PROCEDURE, JURISDICTION

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AND THE DIVISION OF THE EXPENSES OF ARBITRATION SHALL BE FINAL AND BINDING ON ALL PARTIES. THE REMUNERATION OF THE ARBITRATORS SHALL BE DETERMINED ON THE SAME BASIS AS THAT OF AD HOC JUDGES OF THE INTERNATIONAL COURT OF JUSTICE.

ARTICLE VII

ENTRY INTO FORCE DURATION

THIS AGREEMENT SHALL ENTER INTO FORCE UPON SIGNATURE BY THE DIRECTOR GENERAL OF THE AGENCY AND BY THE AUTHORIZED REPRESENTATIVES OF THE COMMISSION AND YUGOSLAVIA IN ACCORDANCE WITH THE CONSTITUTIONAL REQUIREMENTS OF YUGOSLAVIA AND SHALL REMAIN IN FORCE FOR THE PERIOD OF THE LONG-TERM

CONTRACT OR FOR A PERIOD OF THIRTY THREE (33) YEARS,
WHICHEVER IS GREATER, PROVIDED THAT THE PERIOD OF THIS
AGREEMENT SHALL IN NO EVENT EXTEND BEYOND THE PERIOD
DURING WHICH THE CO-OPERATION AGREEMENT IS IN FORCE.

AGREEMENT FOR CO-OPERATION

THIS AGREEMENT, AS WELL AS THE LONG-TERM CONTRACT, SHALL
BE SUBJECT TO AND IN ACCORDANCE WITH THE CO-OPERATION
AGREEMENT, AS IT MAY BE AMENDED.

DONE IN VIENNA, ON THEDAY OF.....

1974, IN TRIPLICATE IN THE ENGLISH LANGUAGE.

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